

Commissioner's Message

I am pleased to present the Washington Employment Security Department's Annual Report Summary (June 30, 2003 – July 1, 2004). Last year, the department identified three key goals: make business a priority customer, increase customer satisfaction with department services, and continue to improve operational efficiency.

Staff dedicated themselves to achieving these goals and providing the highest standards of excellence in 2004. In recent years, we have taken major steps to improve our service delivery. All employees have completed customer service training and a Mystery Shopper Program has assessed our service to business and job seekers alike. Collaborative partnerships through WorkSource have elevated quality and consistency statewide.

This summary provides a glimpse of accomplishments and challenges in 2004. If you have any questions or ideas for improving it, please contact the Department at 360-902-9457. We look forward to continuing to help people throughout their working lives and being the best Employment Security Department in the nation.

Sincerely,



Sylvia P. Mundy, Commissioner



We're About

We're About the Future and Being the Best

The department has established itself as a national leader in the employment and training arena, receiving multiple awards for innovation, efficiency and service. However, being the best does not mean dwelling on yesterday's accomplishments. Being the best means thinking about the future, improving processes and developing new ideas to better serve our customers.

Agency Information

Agency Web site

<http://www.wa.gov/esd>

Agency Vision

Be the best Employment Security Agency in the Nation.

Agency Mission

Employment Security helps people succeed throughout their working lives. The department accomplishes this by providing superior customer service to support workers during times of unemployment, connecting job seekers with employers, and providing business and individuals with the information and tools they need to adapt to a changing economy.

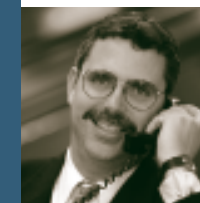
The Employment Security Department is an equal opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to persons with disabilities. Auxiliary aids may include qualified interpreters and telecommunication devices for hearing or speech impaired (TTY) individuals. Individuals with limited English proficiency may request interpretive services free of charge to the customer in order to conduct business with the department.

ESD:2153

Employment Security Department
P.O. Box 9046
Olympia, WA 98507-9046

Employment Security Department What We're All About

2004



**Employment
Security
Department**
WASHINGTON STATE

We're About

Helping Workers and Business Succeed

Employment Security is a key leader in Washington's workforce development system. The department works with the state's 12 Workforce Development Councils and other partners to administer WorkSource – the State's nationally recognized one-stop career center system. WorkSource helped more than 280,000 laid off workers, Veterans, welfare recipients, disabled workers and others find work last year. Job seekers and businesses visited go2worksource.com nearly five million times.

Employment Security also administers Washington's unemployment insurance system, an effort that supported nearly 380,000 laid off workers last year, and is the primary resource for labor market data and job-related assistance during large layoffs and natural disasters.

By the Numbers

- Paid out \$1.8 billion in unemployment benefits to nearly 380,000 people.
- Helped 280,000 people find work.
- Assisted 57,000 employers with recruitment, training and other workforce services.
- Helped 39,000 veterans with job search.
- Helped 23,000 parents get off welfare.
- Connected 18,000 workers to training.
- Paid out \$28 million in retraining benefits to nearly 4,000 people.

From July 1, 2003 - June 30, 2004

Convenience and Customer Service

The public expects convenience and good customer service when they do business these days. Employment Security has applied advancements in technology to allow workers and businesses to get the best service, whether they are looking for a job, looking for a worker or filing a tax statement or unemployment claim. Those changes are paying off. Nearly all unemployment claimants are now filing for benefits over the phone or Internet. This is a dramatic improvement from days when they stood in long lines at local offices. Tens of thousands of our customers are looking for jobs or paying taxes on-line. And they like it. Business men and women have repeatedly praised our electronic tax and hiring systems and unemployment claimants give our Telecenters a satisfaction rating near 90 percent.

By the Numbers

- Facilitated nearly five million visits to the employment website – go2worksource.com.
- Processed nearly 400,000 unemployment claims by phone.
- Processed nearly 110,000 unemployment claims via the Internet.
- Helped 70,000 businesses to file their tax and wage reports electronically, winning national recognition.
- Helped nearly 10,000 businesses pay their taxes electronically through E-Pay.

From July 1, 2003 - June 30, 2004

We're About

Helping People and Communities

It's no surprise that Employment Security staff say over and over that what inspires them most about their jobs is the opportunity to make a difference. Partnerships such as WorkSource and WorkFirst are driven by the importance of having a job. Each one of the 280,000 people who came to WorkSource for help and found a job took a step to improve his or her life. The majority of the \$1.8 billion in benefits the department paid out last year went for such necessities as housing, food and health care. Each of those dollars added more than two dollars to a community's economic activity. During tough times, the department works to help cushion the effects of a recession. And when the recovery begins, it helps to quickly move workers into new jobs.

By the Numbers

- Helped 300,000 low-income workers take advantage of the federal Earned Income Tax Credit, bringing some \$500 million into Washington's economy.
- Saved 13,000 jobs per month through the Shared Work program.
- Helped 558 AmeriCorps members provide over \$8.6 million in services to local communities through the Washington Service Corps.
- Helped 22,000 struggling readers advance their reading skills via the Washington Reading Corps.

From July 1, 2003 - June 30, 2004

Milestones of Success

- The Department of Labor's Compass Award was awarded to E-Pay, UIFastTax, UIWebTax and the marketing program promoting them to business customers.
- ESD's Benefit Payment Control won the Governor's Quality and Performance Award for increasing revenues and decreasing costs in 2003.
- First Employment Security Department in the nation to implement a mystery shopper program to assess and improve customer service.
- The WorkSource Columbia Basin partnership won this year's Best One-Stop Center in the Nation award from the International Association of Workforce Professionals.
- The WorkSource Grays Harbor partnership won the 2003 award for Advancing Workforce Development by the International Association of Personnel in Employment Security.

Employment Security Department

We're About
the Future and
Being the Best



We're About

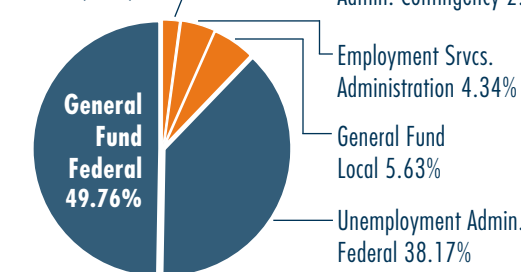
Performance and Accountability

The department is serious about being both fair and firm when it comes to protecting taxpayer resources and following the law. Ninety percent of the department's \$538 million biennial budget comes from the federal government, but those funds originate in the tax payments of individual businesses. Employment Security takes great care to ensure that unemployment benefits and taxes are paid properly and that employment services are both efficient and effective. This means using appropriate human and technology options to find and deter fraud, setting challenging goals for serving customers and keeping the cost of services as low as possible.

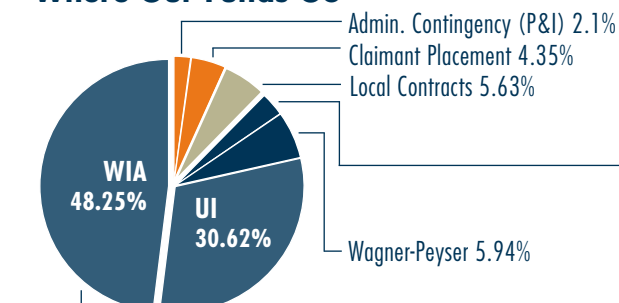
2003-2005 Financial Summary

Our Fund Sources

\$538,687,800



Where Our Funds Go



Veteran's Employment Bureau of Labor Statistics
AmeriCorp VISTA
Alien Certification
3.11%

More than eight of every 10 WIA dollars is passed through to local Workforce Development Councils.

Strategic Goals for Future Success:

1. Provide high quality, demand-driven business services.
2. Provide high quality, demand driven services for the workforce.
3. Prepare our agency workforce for the challenges of the future.
4. Provide superior internal and external customer service.

By the Numbers

- Paid 97% of unemployment benefits accurately and on time.
- Collected 98.9% of unemployment payroll taxes accurately and on time.
- Recovered \$31.6 million in improper unemployment benefit payments, while decreasing collection costs by 46%.

From July 1, 2003 - June 30, 2004